



STATE OF HAWAII

**SUPPLEMENTAL CONTRACT NO. 1
TO CONTRACT PSD 07-ID/MFDC-04**

(Insert contract number or other identifying information)

This Supplemental Contract No. 1, executed on the respective dates indicated below, is effective as of November 15, 2007, between the Department of Public Safety, State of Hawaii

(Insert name of state department, agency, board or commission)

("STATE"), by its

Director

(Insert title of state officer executing contract)

(hereafter also referred to as the HEAD OF THE PURCHASING AGENCY or designee ("HOPA")), whose address is 919 Ala Moana Boulevard, Room 400, Honolulu, Hawaii 96814, and Trans Executive Airlines of Hawaii, Inc., dba Interisland Airways ("CONTRACTOR"),

a

Corporation

(Insert corporation, partnership, joint venture, sole proprietorship, or other legal form of the CONTRACTOR)

under the laws of the State of Hawaii, whose business address and federal and state taxpayer identification numbers are as follows: 100 Iolana Place, Honolulu, Hawaii 96819

FEIN: HIGET: W

RECITALS

A. WHEREAS, the STATE and the CONTRACTOR entered into Contract PSD 07-ID/MFDC-04

(Insert contract number or other identifying information)

dated November 6, 2006, which was amended by Supplemental Contract No(s). n/a
dated _____, which was amended by Supplemental Contract No(s). _____
dated _____, which was amended by Supplemental Contract No(s). _____
dated _____ (hereafter collectively referred to as "Contract") whereby the

CONTRACTOR agreed to provide the goods or services, or both, described in the Contract; and

B. WHEREAS, the parties now desire to amend the Contract.

NOW, THEREFORE, the STATE and the CONTRACTOR mutually agree to amend the Contract as follows: (Check Applicable box(es))

- ☐ Amend the SCOPE OF SERVICES according to the terms set forth in Attachment-S1, which is made a part of the Contract.
- ☐ Amend the COMPENSATION AND PAYMENT SCHEDULE according to the terms set forth in Attachment-S2, which is made a part of the Contract.
- ☒ Amend the TIME OF PERFORMANCE according to the terms set forth in Attachment-S3, which is made a part of the Contract.
- ☒ Amend the SPECIAL CONDITIONS according to the terms set forth in Attachment-S6 SUPPLEMENTAL SPECIAL CONDITIONS, which is made a part of the Contract.
- ☐ Recognize the CONTRACTOR'S change of name.

FROM:

TO: _____

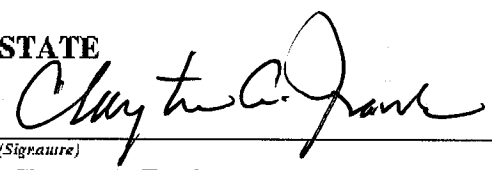
As set forth in the documents attached hereto as Exhibit _____, and incorporated herein.

A tax clearance certificate from the State of Hawaii ☐ is ☒ is not required to be submitted to the STATE prior to commencing any performance under this Supplemental Contract.

A tax clearance certificate from the Internal Revenue Service ☐ is ☒ is not required to be submitted to the STATE prior to commencing any performance under this Supplemental Contract.

The entire Contract, as amended herein, shall remain in full force and effect.

IN VIEW OF THE ABOVE, the parties execute this Contract by their signatures, on the dates below, to be effective as of the date first above written.

STATE


(Signature)

Clayton A. Frank

(Print Name)

~~Interisland~~ Director

(Print Title)

11/15/07

(Date)

CORPORATE SEAL
(If available)

CONTRACTOR

Trans Executive Airlines of Hawaii, Inc.,
dba Interisland Airways

(Name of Contractor)

(Signature)

(Print Name)

TEIMOUR RIAMI

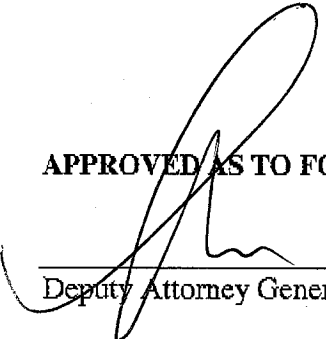
(Print Title)

PRESIDENT

(Date)

11-2-07

APPROVED AS TO FORM:


Deputy Attorney General

* Evidence of authority of the CONTRACTOR'S representative to sign this Contract for the CONTRACTOR must be attached.

P 22 200

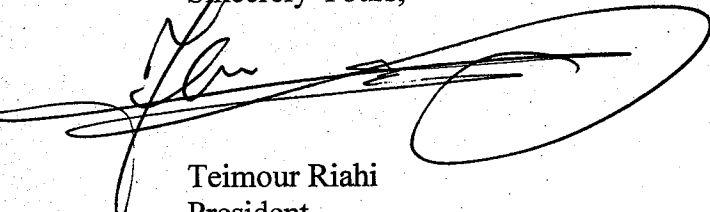


Notarized Certificate of Secretary

To Whom It May Concern:

Please be advised that Mr. Teimour Riahi is appointed as the Secretary of Trans Executive Airlines of Hawaii Inc. DBA: Interisland Airways and as such is hereby duly authorized to sign on behalf of the company for any an all related contract documents representing Interisland Airways.

Sincerely Yours,



Teimour Riahi
President

P.O. Box 29239
Honolulu, HI 96820
(808) 833-5557
(808) 836-8080
(808) 833-2636 (fax)
[www. iflyinterisland.com](http://www.iflyinterisland.com)



STATE OF HAWAII

CONTRACTOR'S ACKNOWLEDGMENT

STATE OF Hawaii)
) SS.
 City COUNTY OF Honolulu)

On this 2nd day of November, 2007 before me appeared
*Teimour Riahi *** and n/a, to me
known, to be the person(s) described in and, who, being by me duly sworn, did say that he/she/they is/are
President and n/a of
Trans Executive Airlines of Hawaii Inc dba InterIsland Airways, the
CONTRACTOR named in the foregoing instrument, and that he/she/they is/are authorized to sign said
instrument on behalf of the CONTRACTOR, and acknowledges that he/she/they executed said
instrument as the free act and deed of the CONTRACTOR.

(Notary Seal)

L.S.

Vilorie A Valencia
(Signature)
Vilorie A Valencia
(Print Name)

Notary Public, State of Hawaii

My commission expires: June 18, 2008



STATE OF HAWAII

CONTRACTOR'S

STANDARDS OF CONDUCT DECLARATION

For the purposes of this declaration:

"Agency" means and includes the State, the legislature and its committees, all executive departments, boards, commissions, committees, bureaus, offices; and all independent commissions and other establishments of the state government but excluding the courts.

"Controlling interest" means an interest in a business or other undertaking which is sufficient in fact to control, whether the interest is greater or less than fifty per cent (50%).

"Employee" means any nominated, appointed, or elected officer or employee of the State, including members of boards, commissions, and committees, and employees under contract to the State or of the constitutional convention, but excluding legislators, delegates to the constitutional convention, justices, and judges. (Section 84-3, HRS).

On behalf of Trans Executive Airlines of Hawaii, Inc., dba Interisland Airways, CONTRACTOR, the undersigned does declare as follows:

1. CONTRACTOR ☐ is ☒ is not a legislator or an employee or a business in which a legislator or an employee has a controlling interest. (Section 84-15(a), HRS).
2. CONTRACTOR has not been represented or assisted personally in the matter by an individual who has been an employee of the agency awarding this Contract within the preceding two years and who participated while so employed in the matter with which the Contract is directly concerned. (Section 84-15(b), HRS).
3. CONTRACTOR has not been assisted or represented by a legislator or employee for a fee or other compensation to obtain this Contract and will not be assisted or represented by a legislator or employee for a fee or other compensation in the performance of this Contract, if the legislator or employee had been involved in the development or award of the Contract. (Section 84-14 (d), HRS).
4. CONTRACTOR has not been represented on matters related to this Contract, for a fee or other consideration by an individual who, within the past twelve (12) months, has been an agency employee, or in the case of the Legislature, a legislator, and participated while an employee or legislator on matters related to this Contract. (Sections 84-18(b) and (c), HRS).

CONTRACTOR understands that the Contract to which this document is attached is voidable on behalf of the STATE if this Contract was entered into in violation of any provision of chapter 84, Hawaii Revised Statutes, commonly referred to as the Code of Ethics, including the provisions which are the source of the declarations above. Additionally, any fee, compensation, gift, or profit received by any person as a result of a violation of the Code of Ethics may be recovered by the STATE.

CONTRACTOR

By

Print Name

Print Title

Name of Contractor

Date

(Signature)

Tennour Riahi
PRESIDENT
Trans Executive Airlines of
Hawaii, Inc., dba Interisland Airways
11-2-07

* Reminder to Agency: If the "is" block is checked and if the Contract involves goods or services of a value in excess of \$10,000, the Contract must be awarded by competitive sealed bidding under section 103D-302, HRS, or a competitive sealed proposal under section 103D-303, HRS. Otherwise, the Agency may not award the Contract unless it posts a notice of its intent to award it and files a copy of the notice with the State Ethics Commission. (Section 84-15(a), HRS).



Attachment - S3

STATE OF HAWAII
TIME OF PERFORMANCE

This agreement extends the term of the contract for an additional twelve-month period, beginning November 15, 2007 up to and including November 14, 2008.

Unless terminated, this contract may be extended for two (2) additional twelve-month periods or portions thereof, subject to satisfactory performance and the availability of funds, without the necessity of rebidding upon mutual agreement in writing, provided that the contract price remains the same or lower than the initial bid price.

All other terms and conditions remain unchanged.



Attachment - S4

STATE OF HAWAII

CERTIFICATE OF EXEMPTION FROM CIVIL SERVICE

1. By Heads of Departments Delegated by the Director of the Department of Human Resource Development ("DHRD").*

Pursuant to a delegation of the authority by the Director of DHRD, I certify that the services to be provided under this Contract, and the person(s) providing the services under this Contract are exempt from the civil service, pursuant to § 76-16, Hawaii Revised Statutes (HRS).

(Signature)

Clayton A. Frank

(Print Name)

~~XXXXXX~~ Director

(Print Title)

(Date)

* This part of the form may be used by all department heads and the heads of attached agencies to whom the Director of DHRD expressly has delegated authority to certify § 76-16, HRS, civil service exemptions. The specific paragraph(s) of § 76-16, HRS, upon which an exemption is based should be noted in the contract file. If an exemption is based on § 76-16(b)(15), the contract must meet the following conditions:

- (1) It involves the delivery of completed work or product by or during a specific time;
- (2) There is no employee-employer relationship; and
- (3) The authorized funding for the service is from other than the "A" or personal services cost element.

NOTE: Not all attached agencies have received a delegation under § 76-16(b)(15). If in doubt, attached agencies should check with the Director of DHRD prior to certifying an exemption under § 76-16(b)(15). Authority to certify exemptions under §§ 76-16(b)(2), and 76-16(b)(12), HRS, has not been delegated; only the Director of DHRD may certify §§ 76-16(b)(2), and 76-16(b)(12) exemptions.

2. By the Director of DHRD, State of Hawaii.

I certify that the services to be provided under this Contract, and the person(s) providing the services under this Contract are exempt from the civil service, pursuant to § 76-16, HRS.

(Signature)

(Date)

(Print Name)

(Print Title, if designee of the Director of DHRD)



Attachment - S6

STATE OF HAWAII
SUPPLEMENTAL SPECIAL CONDITIONS

Facsimiles: This contract agreement may be executed and transmitted by facsimile. Facsimile signatures are acceptable and effective to the same extent as original signatures, and shall be deemed the original of the contract agreement.

All other terms and conditions not specified herein remain unchanged.

CERTIFICATE OF INSURANCE

This is to certify that the policies of insurance as described below have been issued to the Insured for whom this certificate is executed and are in force at this time. This certificate is issued for information only and confers no rights upon the holder. This certificate neither affirmatively nor negatively amends, extends, or alters the coverage afforded by such policy(ies) or binder(s) stated herein.

INSURED: **Trans Executive Airlines of Hawaii, Inc.**
dba Trans Air and Inter Island Airways
P.O. Box 29239
Honolulu, HI 96820

CERTIFICATE
ISSUED TO: **State of Hawaii, Department of Public Safety Planning, Programming and Budget**
Office - Purchasing and Contracts
919 Ala Moana Boulevard, Room 413
Honolulu, HI 96814

INSURER: 85% National Union Fire Insurance Company of Pittsburgh PA through AIG Aviation
15% Allianz Global Risk US Insurance Company through Allianz Aviation Managers

POLICY NO.: FV -----

POLICY PERIOD: August 11, 2007 to August 11, 2008; 12:01 a.m., LST

AIRCRAFT: Shorts SD3-60, N351TA
Shorts SD3-60, N729PC

TERRITORY: Worldwide but excluding Alaska

AIRCRAFT LIABILITY COVERAGE

LIMITS OF LIABILITY

Combined Single Limit Bodily Injury
and Property Damage including passengers:

Limits are per aircraft:
\$50,000,000.00 Each Occurrence

Insurers agree that this insurance shall be primary insurance without any right of contribution from any other insurance which may be carried by the ***State of Hawaii***.

It is understood that the ***State of Hawaii*** shall be included hereunder as an additional insured as respects operations performed for the State of Hawaii but only to the extent it is subject to claims for vicarious liability based upon acts or omissions of the Named Insured in connection with the Named Insured's Operations.

Caledonian Insurance Group, Inc. has made provision for (30) thirty days notice to you in the event of cancellation of the above described policies, but except as otherwise stated in this certificate, Caledonian Insurance Group, Inc. assumes no legal responsibility for any failure to do so.

Caledonian Insurance Group, Inc.
P.O. Box 60
Mercer Island, WA 98040-0060
(206) 232-9370 / (206) 232-9515

Certificate Date: August 15, 2007

By:  _____



STATE FARM INSURANCE COMPANIES®

PO Box 5000
Dupont WA 98327-5000

DATE OF NOTICE: JUN 11 2007

CODE:

15 203A

A

STATE OF HAWAII
DEPT OF PUBLIC SAFETY
919 ALA MOANA BLVD #413
HONOLULU HI 96814-4920

NOTE: PLEASE NOTIFY STATE FARM AT THE ADDRESS LISTED AT THE TOP, LEFT CORNER OF THIS PAGE REGARDING ANY CHANGE OF ADDRESS INFORMATION.



ADDITIONAL INSURED'S NOTICE OF COVERAGE

State Farm Mutual Automobile Insurance Company

3219-F785-W

NAMED INSURED:

TRANS EXECUTIVE AIRLINES OF
HAWAII INC
PO BOX 29239
HONOLULU HI 96820-1639

POLICY NO: 9 5731-A01-51D
YR/MAKE/MODEL: 2002 FORD PICKUP
VIN/CAMPER: 1FTRF17W42KE31244
AGENT NAME: DEAN NOMURA
AGENT PHONE: (808)737-5662
ENDORSEMENT NO: 6028G.2

COVERAGE:

BI AND PD LIABILITY
\$ 1 MIL /\$ 1 MIL /\$750,000
\$500 DED. COMP.
\$500 DED. COLL.

POLICY EFFECTIVE
MAY 31 2007 UNTIL TERMINATED

POLICY MESSAGES: This policy shown above supersedes policy# 0095731-51C.

The policy includes a loss payable clause protecting the additional insured's interest in the described car to the extent of the insurance provided and subject to all policy provisions. The additional insured will be given 10 days notice if the policy is terminated. Until such notice is provided, it shall be presumed that the required renewal premiums have been paid. The additional insured must notify us within 10 days of any change of interest or ownership coming to their attention. Failure to do so will render this policy null and void.



ST-800008
130-5235.7 (a0821e) Rev. 11-2004